



March 14, 2011

By Email and Regular Mail

Brett J. Barratt
Commissioner of Insurance
Division of Insurance
State of Nevada Department of Business and Industry
1818 East College Pkwy, Suite 103
Carson City, NV 89706

Re: Nevada's Request for Adjustment to Medical Loss Ratio Standard

Dear Commissioner Barratt:

Thank you for the State of Nevada's application for an adjustment to the medical loss ratio ("MLR") standard for its individual market. In order for Nevada's application to be complete, please provide the information listed below.

Please note that 45 CFR §158.345(a) provides that the time frame for the Secretary to determine whether to grant Nevada's request for an adjustment to the MLR standard for its individual market begins only when the complete application is received.

1. For each issuer that offers coverage in the Nevada individual market, please provide the number of individual enrollees and premium data by product, as required by 45 CFR §158.321(d)(1). "By product" requires that the data be delineated based on plan design (*e.g.*, premium rate, deductible, co-insurance, *etc.*).
2. For each issuer that provides coverage in the Nevada individual market to more than 1,000 enrollees, please provide, as required by 45 CFR §158.321(d)(2), the issuer's:
 - i. Total earned premium on individual market health insurance products in Nevada;
 - ii. Reported MLR for its individual market business in Nevada, and the methodology used in calculating this MLR;
 - iii. Estimated MLR for its Nevada individual market business, as determined in accordance with 45 CFR §158.221;

- iv. Total agents' and brokers' commission expenses on individual health insurance products in Nevada;
 - v. Estimated rebate for its Nevada individual market business, as determined in accordance with 45 CFR §158.221 and §158.240;
 - vi. Net underwriting profit for its individual market business and consolidated business in Nevada;
 - vii. After-tax profit and profit margin for its individual market business and consolidated business in Nevada; and
 - viii. Risk-based capital level.
3. Please provide the information requested in items 1 and 2 in Excel spreadsheet format, as specified in the CCIIO Guidance issued on December 17, 2010. This guidance is posted on the CCIIO website at http://www.hhs.gov/cciio/regulations/12-17-2010ociio_2010-2a_guidance.pdf.
4. Please provide an explanation of how the proposed MLR of 72 percent was determined, as required by 45 CFR §158.322(a).

Please submit the information listed above to MLRAdjustments@hhs.gov.

In Nevada's application dated February 10, 2011, Nevada indicates that it had collected the data supporting the application prior to the publication of the MLR interim final regulation ("IFR"). We understand that, as a result, some of the data elements were not fully consistent with the requirements of the IFR, and that, as Nevada states in its application, issuers were not advised that these data would be made available to the public. However, the IFR specifically requires that the data requested in Items 1 and 2 be listed separately for each issuer, and that all such information be made publicly available (45 CFR §§158.321(d) and 158.341). Therefore, please prepare and submit these data in accordance with the requirements of the IFR, as specified above.

Thank you in advance for your prompt reply. We look forward to working together to implement the Affordable Care Act. If you have any questions during this process, please contact the Office of Oversight by email at MLRQuestions@hhs.gov or by phone at (301) 492-4457.

Sincerely,

/Signed, GC, March 14, 2011/

Gary Cohen
Acting Director, Office of Oversight